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# America's Half-Century

**UNITED STATES  
FOREIGN POLICY IN  
THE COLD WAR  
AND AFTER**

**Second Edition**

**Thomas J. McCormick**

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# 1 | The Analytic Framework: The World-System, Hegemony, and Domestic Power

Each time decentering occurs, a recentering takes place.  
—*Fernand Braudel*

From the late stages of World War II until the late stages of the Vietnam War, American hegemony—global supremacy—was the driving force in world affairs. In the post-Vietnam War era, however, the decline of American power, the even greater decline of Russian power, and the emergence of Japan and the European Economic Community as rival power centers have produced a far more polycentric world. No one power is able to set the world's agenda and no contending pair of superpowers is free to use the world as the arena for their rivalry. These centrifugal tendencies raise fundamental questions. Is the Cold War over, or merely in temporary abeyance? Will the United States accept the loss of hegemony, and how will it define its new role in world affairs? Will the multicentered world degenerate into another balance of power struggle, similar to the one that produced World Wars I and II, or will global economic integration and interdependence make it no longer practical for great powers to war on each other? The answers to such questions about the present and future are to be found in the relevant past. Present crises spring out of that epoch called the Cold War, which in turn had sprung from a longer-term crisis of political instability and economic malaise, one that left a pockmarked trail of two world wars, traumatic revolutions in Russia and China, and the greatest depression in capitalism's history. Making the best use of that relevant past, however, requires an understanding of two concepts, the world-system and hegemony.

## The Modern World-System

Since modern history began in the late fifteenth century, the earth's inhabitants have lived in three distinct types of environments: the capitalist world-system (or world economy), the external world (empires), or the minisystems of subsistence communities. For the past five hundred years,

the dynamic growth and expansion of the world-system has been at the expense of the other two. The Ottoman Empire of the Turks disappeared, the Russian Empire of the Romanovs and the empire of the Manchus in China collapsed in revolutionary disarray, all victims of their archaic political systems and the inability of their quasi-feudal economies to compete with or alternatively to insulate themselves from the more dynamic and efficient economies of the capitalist world-system. Likewise, the minisystems of Eastern Europe, Ireland, the Americas, Africa, and Asia were, over time and despite great resistance, wrenched away from their subsistence, village agriculture and integrated into a cash nexus and the world market. By the late twentieth century, the remnants of the external world of empires, the Soviet Union and the Peoples' Republic of China, had emerged from the containment and self-isolation of the Cold War and begun to experiment with market economies in place of command (planned) economies. Also by that time, the remaining isolated pockets of subsistence systems had virtually disappeared from the face of the earth. The revolutionary expansion of European capitalism and Mediterranean civilization, begun a half-millennium earlier, seemed about to reach its final, all-encompassing frontier. The world-system and the world itself seemed almost one—*one world rather than three*.

Throughout its five centuries, capitalism has been an inherently expansionistic type of economy. The key to accumulating capital, enlarging market shares, and maximizing profits has historically been long-distance trade, especially by large capitalists with political connections and economic reserves. That was true of Baltic merchant capitalists in the seventeenth century rerouting their grain ships to the Adriatic to take advantage of local famine and exorbitant prices. It was true of nineteenth-century British industrial capitalists using their superior technology and economies of scale to wipe out hand-crafted textiles in Turkey, India, and China and to enlarge the British share of the world market. It is true today of finance capitalists in New York whose overseas bank loans to newly industrializing countries give a high rate of return no longer possible at home. In short, capitalism as an economic system has always functioned most profitably and most efficiently when its universe of options has been sufficiently large and fluid for capital, goods, services, and people to move from one place to another in order to secure greater returns, even if that place be both distant and foreign. Moreover, even when capitalism has not functioned efficiently, its spatial expansion into distant empires and subsistence enclaves has fueled its rejuvenation. Periodically, crises of overproduction have resulted from the contradictory instincts of entrepreneurs to keep production high (to enlarge market shares) and wage bills low (to reduce production costs). Historically, however, global expansion of new markets for goods and capital has helped restore demand to the level of

supply, raised the rate of profit, and replaced economic depression with economic boom. The long slumps of 1680–1730, 1870–1900, and 1930–50 were all resolved in part by the creation of new economic frontiers: the mercantile empires of the eighteenth century, the new imperialism of the late nineteenth century, and the economic internationalization promoted by American foreign policy in the mid-twentieth century.

During the last decade, a number of academic observers have concluded that capitalism's tendency toward international fluidity eventually produced a configuration that could properly be described as a system, a combination of parts forming a complex, unitary whole. Fernand Braudel and Immanuel Wallerstein, in their epic studies of early European capitalism, concluded that such a system was in place by 1650. Others feel that it was not until the nineteenth century that an integrated global division of labor allowed capitalism to merit characterization as a system.

Studies advancing a world-system analysis (including this study) argue that there are three constants about that world-system, even though the particular forms it takes are always changing. First, there are always implicit geographical boundaries within that system, and they are essentially defined by the spatial limits of the world market economy at any given time. In our contemporary period, the term *free world* is essentially a synonym for the capitalist world-system. Cold War rhetoric may impart a more ideological twist to the phrase, but Nelson Rockefeller's chief aide got at its root in late 1941 when he declared that America was "committed to the fight for freedom of economic life and for freedom of the seas, in a word, the fight for a free world." Second, there is always a center or pole to the system, a dominant city that acts as the coordinating point and clearing house of international capital. Its location has shifted historically from the Mediterranean to Northern Europe to North America (and perhaps yet to Northeast Asia), but there is always a central metropolis, be it London in 1845 or New York in 1945.

Finally, the system consists of three successive zones, each performing a specialized function in a complex, international division of labor. *Core* countries (the First World) own most of the high-tech, high-profit enterprises. The *periphery* (the Third World) specializes in primary production of agricultural commodities and raw materials—they are the "hewers of wood and carriers of water." Between them, the *semiperiphery* (the Second World) performs intermediate functions of transport, local capital mobilization, and less complex, less profitable forms of manufacturing. Historically, there has been some limited mobility of individual nations between zones, including America's own transformation from a semiperipheral country in 1790 to a core country by 1890. Likewise, changing technology continually redefines what constitutes high-, intermediate-, or low-value enterprises. Textiles, steel, and shipbuilding might have been

high-value activities in an earlier era but have become low- or intermediate-value in the contemporary age of electrical equipment. What remains constant are the zones themselves and the specialized (and unequally rewarded) division of labor among them. Hence, in 1988 there is a world-system in which North America, Japan, and Europe constitute the core and specialize in electronics, capital goods, diversified agriculture, and finance; the less developed countries (LDCs) of Africa, Southeast Asia, and the Caribbean basin, as the periphery, specialize in nonpetroleum raw materials and single-crop agriculture; and the newly industrializing countries (NICs), Mexico, Brazil, South Africa, Israel, Iran, India, China, and those of Eastern Europe and the Pacific rim, as the semiperiphery, specialize in shipping, petroleum, credit transactions, and consumer goods manufacturing.

### Hegemony

The emergence of a capitalist world economy coincided with the emergence of the modern nation-state as the prevailing political unit of governance, and the nation-state has both fostered and inhibited the capitalist world economy. On one hand, nation-states have often provided crucial stimulation of economic growth and development: their banking, taxation, credit, and internal improvement policies have frequently aided domestic entrepreneurs in accumulating capital and minimizing risks. On the other hand, those same nation-states have often interfered with and impeded the fluidity and mobility of capital, goods, and labor across national boundaries. This nationalist bias is caused in part by nation-states being, by definition, wedded to specific territories and committed to the defense and sustenance of their citizens. In part, too, it reflects the uneven pace of capitalist development among countries, and the unequal division of labor and rewards that results from it. The frequent consequence has been an attempt by "have-not" countries to undertake "have" countries through nationalist economic measures, often referred to as mercantilistic policies in earlier periods and, in our own time, as import-substitution policies (i.e., substitution of indigenous products for those previously imported). Whatever the cause of this nationalist bias, the resulting farm subsidies, military spending, protective tariffs, navigation laws, capital controls, and restricted currency convertibility have constituted serious obstacles to a free world of economic internationalism and interdependence in which capitalism, as a purely economic system, can realize its maximum efficiency and profitability. So, too, have the policies of territorial expansion that often accompany economic nationalism interfered, by seeking to monopolize whole regions of the earth for the benefit of a single national economy. Examples are the British mercantile empire of the eighteenth century and

the Japanese Greater East Asian Co-Prosperity Sphere of the twentieth. In sum, nation-states have tended to pursue policies of economic autarky—capitalism in one country or one self-contained trading bloc—and such approaches limit the options of capital in pursuit of maximum rewards.

Hegemony historically has operated to soften the contradiction between the internationalist imperatives of capitalism and the nationalist biases of political nation-states. In the context of the world-system, hegemony means that one nation possesses such unrivaled supremacy, such predominant influence in economic power, military might, and political-ideological leadership, that no other power, or combination of powers, can prevail against it. Economic supremacy is the indispensable base of hegemony, for all other forms of power are possible with it and no others possible, for very long, without it. Any hegemonic power must, simultaneously, contain the dominant financial center, possess a clear comparative advantage in a wide range of high-tech, high-profit industries, and function commercially as both the world's major exporter and its major importer. Beyond mere economic power, it must possess clear military superiority and ideological hegemony as well. By fear or respect, it must be able to exert its political will over the rest of the system and command deference to its principles and policies.

Hegemony and the balance of power have been on opposing sides of the contradiction between economic internationalism and national autarky or self-sufficiency. The balance of power attempts to use the alignment of forces and, if necessary, war, to prevent any one power from achieving such preponderance that it could impose economic internationalism on autarkic-minded nations. A single hegemonic power, however, has a built-in incentive to force other nations to abandon their national capitalism and economic controls and to accept a world of free trade, free capital flows, and free currency convertibility. As the world's dominant economic power, a hegemonic power has the most to gain from such a free world and the most to lose from nationalistic efforts to limit the free movement of capital, goods, and currencies. So the preponderant world power is unequivocally self-interested in using its economic power, as workshop and banker of the free world, to create institutions and ground rules that foster the internationalization of capital. It finds it inherently advantageous to use its political power as ideologue of the world-system to preach the universal virtues of freedom of the seas, free trade, open door policies, comparative advantage, and a specialized division of labor. It finds it necessary to use its military power as global policeman to protect the international system against external antagonists, internal rebellions, and internecine differences: to be judge, jury, and executioner, insuring that the ground rules of internationalism are not impeded by either friend or foe.

Only twice in the history of the capitalist world economy has hegemony

triumphed over balance of power as the prevailing structure of the international system. Great Britain functioned as hegemonic center between roughly 1815 and 1870, and the United States did so between roughly 1945 and 1970. (Others argue that the Dutch republic did so as well, in the late seventeenth century, but the argument seems rather forced.) In each instance, world war was crucial to the formation of hegemony. It radically redistributed power and wealth in ironic fashion, denying hegemony to a European continental power while bestowing postwar supremacy on its balance of power adversary.

In the first instance, France attempted through its Napoleonic Wars (constituting the first truly world war) to impose its dominance on the Eurasian heartland, the very center of European capitalism. Great Britain attempted to thwart that ambition through its traditional balance of power politics, and it ultimately prevailed. But the wars and attendant revolutions were so long, so destructive, so destabilizing that they temporarily obliterated the old balance of power system and left Great Britain the tacit sovereign of the post-Napoleonic world. In the second instance (as we shall see in detail later), Germany, under both the Kaiser and Hitler, attempted to impose its dominance on the same Eurasian heartland, while Anglo-American balance of power diplomacy sought to prevent it. But the ironic consequence of World Wars I and II was, by denying hegemony to the Germans, to make it possible for the Americans to become the acknowledged leaders of the free world. In each case, hegemony made it nearly impossible for other core powers to use war as an instrument of diplomacy against each other—a Pax Britannica for the mid-nineteenth century and a Pax Americana for the mid-twentieth. In each case, hegemony blunted the forces of economic nationalism and facilitated greater global interdependence, enabling a freer and easier *exchange* of goods in the nineteenth century and the multinational *production* of goods in the twentieth.

Hegemony is always impermanent, as Great Britain discovered and the United States is discovering. Indeed, hegemony undermines the very economic supremacy upon which it necessarily must rest. Two related tendencies lead the preponderant power to neglect investment in its civilian research and production and to transform itself into a *rentier* nation and *warfare* state. There is a tendency to overinvest and lend overseas and to live off dividends and interests (renting out one's money, hence *rentier*). It happens because it is easy to do, since the hegemonic power is in a position to secure favorable treatment for its capital throughout the free world. It happens also because it is necessary, since higher wage bills make it more profitable to invest overseas than at home. The higher wage bills themselves are part of the burden of power: the necessity to demonstrate to managers and workers that there are ample economic rewards for sup-

porting an internationalist foreign policy with their votes, tax dollars, and conscription.

The tendency to overinvest abroad is compounded by the tendency to overinvest in military production. Essential to the hegemonic power's capacity to act as global policeman, military research and production receive favored treatment from the government in the form of state-subsidized high profits. The government becomes a more predictable and more profitable customer than private individuals and corporate consumers. The end result is to divert capital from civilian to military production, to the neglect of modernization needs of the domestic industrial plant. This disinvestment, as some term it, erodes over time the economic underpinnings of hegemony and makes it more difficult to compete with other core powers who have avoided the pitfalls of similar disinvestment. Moreover, like a snowball rolling downhill, the problems compound as the hegemon grows aware of its decline. Confronted with declining profitability in the civilian sector, it is likely to stress military spending even more as the easiest way to assure its capitalists of adequate returns—often spending far in excess of any plausible military purposes. Relatedly, it is likely to exploit its continuing function as world policeman to extort special privileges from its competitors: favored treatment for its currency, its trade, and its investments in exchange for continued police protection. In short, it is likely to become even more of a rentier or warfare economy and speed up the very decline it is trying to retard.

### The Domestic Context of Hegemony

Hegemony does not simply happen, individuals and groups of people make it happen. A sufficient base of power is the prerequisite for global supremacy, but it is insufficient unless the will to use that power is present in those determining public policy for the potential superpower. In the case of the United States since 1945, it is no easy matter to identify who determines policy. The difficulty reflects the existence of two antithetical tendencies, a dominant one toward greater elitism in making foreign policy and a secondary but still powerful one toward residual pluralism. The result, too, has been antithetical: a prevailing consensus that nonetheless contains elements of conflict.

The tendency toward elitism has included centralizing policymaking in the executive branch of the government and limiting the number and intensity of potentially inhibiting influences. One obvious manifestation of this trend has been the gradual conversion of Congress into nearly a rubber stamp, merely approving or acquiescing in actions taken by the executive branch. Executive agreements like those at Yalta and Potsdam,

undclared wars like Korea and Vietnam, nearly carte blanche military spending bills, and sweeping presidential fiat like the Truman, Eisenhower, and Carter doctrines all bore the stamp of what came to be called the imperial presidency. There has also been a marginalization of public opinion and popular voting as shapers of policy. Since World War II, the number of Americans having nil or minimal interest in foreign affairs has significantly increased ("the inattentive public," as political scientists term them), while the extent of voter turnout and intensity of party loyalty have measurably declined.

Another indication of foreign policy elitism has been the privileged influence enjoyed by the "aristocracy" of business and labor—multinational banks and corporations and, to a lesser and less permanent degree, the American Federation of Labor and the Congress of Industrial Organizations (now the unified AFL-CIO). Such broad-based interest groups have replaced political parties as the government's major conduit for mobilizing junior executives, rank-and-file workers, and other interested Americans ("the attentive public") to support the government's foreign policy. Such groups, in turn, have received the lion's share of economic rewards from American internationalism and even, at times, have shared responsibility for implementing policy (as they did, for example, in the Marshall Plan and the Alliance for Progress). A final manifestation of the elitist tendency has been the effort to further centralize policymaking in the National Security Council (NSC) to counteract diffusionist tendencies by new and enlarged bureaucracies concerned with foreign policy. In the immediate postwar period, the proliferation of area and topical desks within the State Department—each with its own perspective and short-term agenda—necessitated the creation of the Policy Planning Staff (PPS), to insure a more global, coordinated approach. By the end of the 1940s, the appearance of bureaucratic players outside the State Department—the Central Intelligence Agency (CIA), the Department of Defense (DOD), the Economic Cooperation Administration (ECA)—had made interdepartmental coordination crucial if American policy was not to become simply the sum of so many bureaucratic territorial battles. For good and sometimes ill, the NSC was created to attempt that coordinating role.

The image this suggests, of an oligarchic foreign policy omnipotent in the face of an enfeebled Congress and an irrelevant public, is partially true, yet partially misleading. Image approximated reality most nearly in the decade between the Korean War and escalation of the Vietnam War. Peace, unparalleled prosperity, and the heady, psychic reward of being leader of the free world ("the arrogance of power," as Senator J. William Fulbright called it) created little receptivity to democratic dissent from mainstream internationalism. Such was not the case, however, in the immediate post-World War II period, when critics on both the right and the

left questioned the logic of internationalism and the necessity of American hegemony. Nor has it been the case in the last two decades, when the trauma of the Vietnam War and increasing awareness of American economic decline have begun to raise questions about the morality, profitability, and feasibility of American globalism.

Even when least assertive, Congress and the public have had some influence on foreign policy. Although they did not make policy nor even deter it from its undeviating internationalism, they did sometimes force it to take forms not preferred by the policymakers. Congress did so through two key functions—the power to appropriate monies and the power to investigate. Some of its powerful committees—Finance, Ways and Means, Armed Services, and Military Affairs—had significant say as to how much the United States spent as global policeman (often less than the executive branch desired prior to the 1960s, often more than it wanted thereafter), where that money was spent (predictably and disproportionately in the states and districts of congressmen with the greatest committee seniority), and what rationale justified its spending (usually anticommunism and national security rather than economic internationalism and the needs of free world allies).

Similarly, Congress's committees on un-American activities and internal security, and other ad hoc investigatory bodies, continually confronted the executive branch with charges that its internationalism subverted the national interest: it sold out Eastern Europe to the Russians, lost China to communism, let the secret of the atomic bomb escape, failed to push the Korean War (and later the Vietnam War) to victorious conclusion, and betrayed American allies like Batista, Somoza, and the Shah of Iran while abetting American enemies like Castro, the Sandinistas, and Khomeini. While congressional investigative forays were patently partisan and truly powerful only in the McCarthyite era of the early 1950s, their ever-present possibility clearly reinforced the White House's need to avoid at all costs the appearance of appeasement. This pressure may have meant that some tactical roads were not taken or, if taken, were traveled in secrecy (e.g., the Iran-*contra* affair).

The opinion of the voting public was also of material concern to policymakers. While voter turnout and party loyalty did decrease, those trends actually enhanced the importance of those who continued to vote but whose party loyalty could no longer be taken for granted. To be sure, that voting public was rarely influenced in its electoral choices by foreign policy issues, even during the Vietnam-era antiwar movement. Domestic issues, class mobility, and ethnic identity were far more influential. Indirectly, however, voters did make a connection between domestic concerns and international affairs. Proponents and beneficiaries of the Great Society reform programs of the mid-1960s worried that militarization and

the Vietnam War were draining away money, energy, and moral concern from those social endeavors. Victims of inflation and declining real wages in the mid-1970s wondered if that same costly war and the OPEC (Organization of Petroleum Exporting Countries) oil shocks did not demonstrate that American preoccupation with and dependence on the outside world had resulted more in economic sacrifices than in economic rewards.

In addition, specific ethnic blocs of voters developed a direct interest in foreign policy issues relevant to their group. Voters of Eastern European descent were often intensely concerned about the fate of their fatherlands under Russian control. Especially was this true of those with ties to Poland, Hungary, and the Baltic states—nations whose modern existence did not begin until 1919, was snuffed out in 1939, and faced a problematic future. Similarly, Jewish voters generated an even more intense commitment to the establishment and preservation of an independent Israeli state. Long a Zionist dream, the desire for a Jewish homeland took on added urgency with the need to resettle the surviving victims of Hitler's "final solution" Holocaust. Such ethnic groups voted in disproportionately high numbers and clustered in key urban areas in pivotal industrial states with large electoral votes. Jewish voters in particular were the political balance wheel in New York and, to a lesser extent, in Illinois and California. As a consequence, the formulation of American policy in Eastern Europe and in the Middle East had to take into account the political clout of such ethnic groups.

This domestic mix of elitism and pluralism meant that policymakers had to be perpetually aware of the potential for conflict posed by congressional and public opinion. Tactics, rationales, and rhetoric had to be carefully chosen to minimize any such conflict and maximize the extent of domestic support. American globalism required money, personnel, and the mantle of legitimacy, and none of those essentials was possible without legislative and popular consent, sustained at a high level over a long period of time. American leaders were startlingly successful in securing that kind of long-term consensus in support of American internationalism. Politics may not have "stopped at the water's edge" nor pure bipartisan unanimity ever been realized, but American society—from top to bottom—did accept, for more than four decades, both the fact and the desirability of American hegemony. It did so largely because hegemony paid. Its capacity to deliver great and growing material and psychic benefits stood in attractive contrast to the despair and depression of the 1930s. But Americans accepted their global function also because successive administrations were so successful in manufacturing consent. Sensitive to the processes of American politics, they carefully mobilized and rewarded their likeliest supporters in business, labor, and the universities, nullified their potential adversaries through co-optation of the right and suppression of the left,

and carefully packaged and boosted their programs in terms that would have the widest public appeal. Not until the Vietnam War and the post-Vietnam economic decline would the legitimacy of hegemony come to be questioned and the political process of generating consensus prove more complex and difficult.

Even single-interest ethnic groups failed to create any major detours in the road traveled by American foreign policy. Where ethnic and national interests coincided, the government gave Eastern European ethnic groups rhetorical flourishes that were satisfying to them and useful to the Cold War policy of containment. Presidents made periodic declarations of support for the liberation of Eastern Europe, secretaries of state preached the virtues of rolling back the Russian empire rather than merely containing it, and the Voice of America encouraged anti-Soviet opinion and behavior behind the Iron Curtain. When ethnic and national interests diverged, however, the ethnic groups came up empty-handed. Central to their concern but marginal to the government's, Eastern Europe was never deemed worth serious risk-taking on the part of American policy. The passive American responses to the crises in Hungary (1956), Czechoslovakia (1968), and Poland (1981) all accentuate this point. Moreover, when détente with Russia seemed desirable in the early 1970s, the American government proved quite vigorous in urging Eastern European ethnics in the United States to embrace that reversal of containment on the grounds that it would facilitate emigration, travel, family contacts, and cultural exchange with their old homelands.

America's Middle Eastern policy offered a similar though more complex pattern. Certainly the potential for conflict between ethnic and national interests always existed. The United States was the first country to recognize the independence of Israel in 1948, and it eventually developed an intimate, special relationship with that new nation. Such developments were consonant with the interests of most American Jews, but there was always concern that they threatened to turn the majority Arab world, with its anti-Israeli hostility, against the United States. Given the importance of Persian Gulf oil and the Suez Canal to America's associates in Europe and Japan, it seemed a hostility that could ill be afforded. For several reasons, however, the complications have thus far proved to be more potential than real.

First, American recognition of Israel carried no Cold War risk of throwing angry Arabs into the Soviet orbit, since Russia was almost as quick as the United States in extending its recognition. Moreover, prevailing wisdom, even in the relatively pro-Arab State Department, viewed the Arab nations as so weak, divided, and generally ineffectual in the late 1940s that they presented no immediate threat to American and Western interests in the area. Second, it must be remembered that the special relationship be-



tween the United States and Israel was not a sudden, dramatic development that would have triggered an explosion of Arab anger, but a slow, incremental process nearly two decades in the making. As late as the Suez crisis of 1956, the two countries found themselves in a sharply adversarial position, and the 1958 Lebanon crisis saw the United States use its own troops rather than Israeli surrogates to carry out the so-called Eisenhower Doctrine. In essence, the special relationship did not come to pass until the American preoccupation with Southeast Asia forced the United States to consider the use of regional deputy policemen, and the stunning Israeli success in the 1967 Six Day War demonstrated how well it could play that role.

Finally, when the United States-Israel entente did flower, it served American purposes without endangering the oil resources. Israel's major policing function, in American eyes, was to keep radical, nationalist regimes in Egypt and Syria from stepping out of line and upsetting the regional balance in Russia's favor. Both were non-oil-producing states. The major oil-producing nations, chiefly Saudi Arabia and Iran, were firmly in the American orbit, dominated by conservative regimes and less active in their anti-Israeli diplomacy than other nations in the region. In sum, ethnic and national interests in America's Middle Eastern policy, while always potentially in conflict, have thus far not diverged so sharply that American support for Israel has carried a very high price tag.

### **Ins-and-Outers**

This continuity and consensus, stretched over forty-three years and eight presidents (four from each party) and challenged on the contested terrain of domestic politics, did not happen "in a fit of absence of mind," as the Victorians said of the British Empire. "Nothing much is apt to come into being in that way," noted British historian, A. L. Rowse. Such ideological hegemony at home, matching that abroad, "was the result rather of a conscious, deliberate and tenacious campaign . . . on the part of the elect spirits of the nation." Notwithstanding the tension between concentration and pluralism, there has indeed been an evolution of a loosely integrated foreign policy elite—America's "elect spirits"—who, above all others, have been responsible for the continuity and consensus that spanned decades and administrations.

This foreign policy elite has been concentrated in the upper strata of a hierarchical bureaucracy: the secretaries, under secretaries, and assistant secretaries of state, defense, and the treasury and the administrative officers of the CIA, NSC, ECA, the Agency for International Development (AID), and the President's national security adviser. Since World War II, the elite has been drawn from two quite different sources. About one-third have

been career civil service officers who have spent their adult lives climbing the bureaucratic ladder. Moving beyond the middle echelon, where their function was not to make policy but to gather data and implement policy, the more accomplished reached policy-planning levels in the more rarefied upper echelon. These upwardly mobile bureaucrats have been especially evident in the Department of State and have come disproportionately from among the area specialists on the Western European and Russian desks, reflecting the importance attached to those core regions. Classic examples from the early Cold War were George F. Kennan and Charles E. Bohlen, the leading Russian area experts, who came to play key roles in the long-range, globally oriented Policy Planning Staff. They helped conceive the Marshall Plan for Europe and the industrial recovery plan for Japan and lobbied for them with congressional committees. More recent examples have been Alexander M. Haig, Robert C. McFarlane, and John M. Poindexter, who moved up quite a different bureaucratic ladder, through the military services to positions as secretary of state or national security adviser.

The other two-thirds of that foreign policy elite were ins-and-outers. Such individuals move back and forth between the public and private sectors, as though on a perpetual shuttle. Unlike their careerist colleagues, who tend to remain inside only one departmental bureaucracy, ins-and-outers often move from one department to another on their return trips to governmental service. For example, Secretary of State George P. Shultz had earlier stints as secretary of labor, director of the Office of Management and Budget, and secretary of the treasury. The recent director of the Central Intelligence Agency, William J. Casey, served earlier as Arms Control and Disarmament Agency adviser, chairman of the Securities and Exchange Commission, under secretary of state for economic affairs, and president of the Export-Import Bank. Holding these varied roles has tended to make such people less attached to any single perspective, to broaden and integrate their world views by giving them experience in both domestic and international affairs, and to expand their universe of useful political contacts, since they have dealt with a greater variety of congressional committees and private interest groups.

These ins-and-outers have originated in three parts of the private sector, although directly or indirectly almost all have been products of the business world. About 40 percent of ins-and-outers have come directly from corporate management backgrounds. This has been especially true of secretaries of defense: Charles E. Wilson (1953-57), former president of General Motors; Neil H. McElroy (1957-59), former president of Procter & Gamble; Thomas S. Gates (1959-60), former chairman of the board of Morgan Guaranty Trust; Robert S. McNamara (1961-67), former president of Ford Motor Company, and Caspar W. Weinberger (1981-87), former

vice-president of Bechtel Corporation. Another 40 percent of ins-and-outers have come from the nation's most prestigious law firms, invariably ones doing a major amount of business in international corporate law. This has been particularly true of secretaries of state: Dean Acheson (1949-53) had been a senior partner in Covington & Burling, John Foster Dulles (1953-59), a senior partner in Sullivan & Cromwell, William P. Rogers (1969-73), senior partner in Rogers & Wells (where future CIA Director William Casey was also a partner), and Cyrus Vance (1977-80), senior partner in Simpson, Thatcher & Bartlett. Of the remaining 20 percent, more than half have come from academic posts in major universities, usually from political science departments ("defense intellectuals," as they are sometimes called). This background is most often found among national security advisers: McGeorge Bundy (1961-66) had been dean of arts and sciences at Harvard, Walt W. Rostow (1966-69), professor of economic history at MIT, Henry A. Kissinger (1969-75), professor of government at Harvard, Zbigniew Brzezinski (1977-81), professor of government at Columbia, and Richard Allen (1981), a staff member of the Georgetown University Center for Strategic and International Studies. All had close ties to business and business-run foundations. Bundy would head the Ford Foundation after leaving his NSA post, Rostow was America's most famous proponent of procapitalist modernization theory, Kissinger and Brzezinski were both protégés of David Rockefeller, the business patriarch of that famous family, and Allen's private consulting activities in international business were to produce his resignation for alleged conflict of interests.

Of the two subgroups of the elite, careerists and ins-and-outers, the latter has clearly been the dominant group. Achieving prominence and permanence as so-called dollar-a-year men in World War II (Bruce Catton dubbed them "the War Lords of Washington"), these cosmopolitan leaders always carried the day when their views diverged from the expert advice of career bureaucrats. Internal debates over early policy toward communist China, over the 1950 blueprint for militarizing American policy, and over neutralization schemes for Germany, all would amply demonstrate this result. Their repeated triumphs indicated two things. First, their multiple roles, both in the private sector and in varied governmental positions, had given them a broader and stronger base of power than careerists, with their more singular base of power in a particular department. Second, they were always able to fall back on an argument that has proven to be decisive, even in the face of the superior expertise held by the careerists: namely, that their varied portfolios made it easier for them to see the big picture while more narrow experts could not see the forest for the trees. Dean Acheson might agree with Russian experts (like Kennan and Bohlen) that the National Security Council exaggerated the Russian communist

menace but argue successfully that the global crisis of the free world in 1950 necessitated mass military spending anyway. Dean Rusk might agree with Asian experts that Ho Chi Minh was more of an Asian Tito than a Russian lackey but argue successfully that Asian neutralism was as dangerous as Asian communism to the essential task of reintegrating the Pacific rim into the world-system. Henry Kissinger might agree with African specialists that America could do business with the Marxist regime in Angola but argue successfully that to do so would set a bad precedent worldwide. ("You may be right in African terms, but I'm thinking globally," he said.)

Such schisms have been the exception rather than the rule. Until the post-Vietnam era, when serious and sustained differences divided even ins-and-outers, there was great homogeneity of opinion within the foreign policy elite. Moreover, this was matched by longevity in power, as its members measured their public service not in terms of one or two presidential administrations but in terms of decades. Paul H. Nitze, for example, chaired the Policy Planning Staff during the second Truman administration, and, still active three and a half decades later, headed the Reagan administration's arms control negotiations with the Russians. That comonomality and prolonged tenure helped make the foreign policy elite the very heart of the imperial presidency. Its members became companions and tutors to the presidents, socializing with them and instructing them on their proper world view and on America's place in it. That was true even of chief executives like Dwight Eisenhower, Richard Nixon, and Lyndon Johnson, who brought international experience and a reasonably coherent global vision to the job. It was truer still of presidents like Harry Truman and John Kennedy, whose experience and perspective were more limited, and most true of those like Gerald Ford, Jimmy Carter, and Ronald Reagan, who were virtual neophytes in international affairs. All were intelligent and learned quickly, and even the most ill-prepared left his personal stamp upon American foreign policy. Still, over the course of forty-three years, none of these presidents ever strayed outside the fairly narrow range that constituted mainstream American foreign policy. Each accepted the reality and propriety of American hegemony. Each came to understand, master, and accept the complex but coherent vision of internationalism toward which that hegemonic power was pushing and pulling the world-system. Republicans and Democrats, pragmatists and ideologues, wielders of power and wielders of power—for all, continuity rather than discontinuity marked the presidential changings of the guard. And, more than any other variable, it was the presence and power of that foreign policy elite—those upper-level careerists and those ins-and-outers—that accounted for that striking stability.

What set the foreign policy elite apart from all other groups was its

coherent and cosmopolitan world view, a systematic and systemic analysis of foreign policy. The ins-and-outers especially, because of the multiple functions they performed and the double-tracked perspectives they gained from public and private spheres, were stimulated to see the world as a system, a world-system: a kind of ecological whole of moving, dynamic, interconnected parts, in which every part affects every other part, and, in turn, the whole. And, because ecological systems often change slowly over time, they were inclined to project American foreign policy needs over decades-long periods, even, in Henry Luce's famous phrase, an "American Century." It was this *long-term globalism* that set them apart from Congress, the middle bureaucracy, and much of the business community, each of which has a more acute concern for special interests, organizational imperatives, or short-term profits. It is perhaps appropriate, then, that this study employ a world-system analysis, for that was the very analysis used by the group with the most autonomous power to shape and make American foreign policy.

## 2 Seeking Supremacy: The Historical Origins of American Hegemony, 1895-1945

We have a moral obligation to stay out of war if possible. But we also have a moral obligation to keep open the course of our commerce and of our finance.

—Woodrow Wilson, 1916

If we see that Germany is winning we should help Russia and if Russia is winning we ought to help Germany and that way let them kill as many as possible, although I don't want to see Hitler victorious under any circumstances.

—Senator Harry S. Truman, 1941

In 1895, Brooks Adams published his controversial book, *The Law of Civilization and Decay*, and in 1900, he followed it with a more optimistic message in his *American Economic Supremacy*. Great grandson of John Adams and grandson of John Quincy Adams, the brilliant and eccentric Brooks was, in his own right, confidante and adviser to Theodore Roosevelt—soon to be America's first modern imperial president—and to John Hay, secretary of state *extraordinaire*. The two main theses articulated in Adams' books were to echo resonantly and repeatedly in the thoughts, writings, and uttered words of the subsequent twentieth-century Americans with the most power to shape American foreign policy. In essence, Brooks Adams argued that the international system was in the process of disintegration and that only the United States, with its economic supremacy, could offer the global leadership necessary to stabilize the world order. After a half-century of seeking, America finally would manage to fulfill Adams' prescriptive prophecy with its triumph in World War II.

### **America as a Regional Power, 1895-1915**

Written during the terrible 1890s depression, Adams' first book witnessed his awareness of three interrelated crises. First, all the industrialized core countries were trapped in the last quarter of the nineteenth century in the